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WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
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E.O. 12958: N/A
TAGS: [IS KMDR MEDIA REACTION REPORT](#)
SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

Echoed by all media, Channel 2-TV last night reported that in the wake of U.S. complaints about Israeli deviations from weapons purchasing and sales rules and about an Israeli report to the U.S. about a weapons sale to China, the Pentagon (leading media named U/S of Defense Douglas Feith) has demanded that the GOI dismiss Defense Ministry D-G Amos Yaron. Yediot quoted senior Israeli sources as saying that Feith has made these claims because he feels pressured by FBI investigations currently conducted against him and other Pentagon officials in the alleged Larry Franklin/AIPAC affair. Channel 2-TV said that Israel is now upgrading a sophisticated weapons system for China and has not informed the Pentagon about it. Quoting Israeli sources, Channel 2-TV reported that the system, which was not identified, has been returned to Israel for repair and maintenance. Israel Radio cited denials by Defense Minister Shaul Mofaz, Israel's Ambassador to the U.S. Danny Ayalon, and a Pentagon spokesman, who said this was not a personal issue, but a matter of policy that has been discussed between the countries. The station quoted the spokesman as saying that nobody in the Pentagon had demanded Yaron's dismissal. Jerusalem Post quoted defense officials as saying Wednesday that the U.S. has demanded clarification of the matter and that a joint inquiry has been launched. Israel Radio cited Israeli officials as saying that the weapons sale took place in the early 1990s and that Israel did not sell weapons to China after the Phalcon AWACS affair. Former ambassador to China Ora Namir told Israel Radio this morning that there is not enough supervision within the Defense Ministry.

All media reported that Wednesday at the Herzliya Conference, FM Silvan Shalom called for the reconvening of last year's Aqaba summit to show support for Palestinian moderates and to jump-start negotiations with the PA. He said: "Everyone must do everything they can to ensure that this year will be the year of the moderates." He called on the Palestinian leadership to "immediately make a decision to defeat terror" following the January 9 elections in the PA. Shalom also said that rather than trying to negotiate a final-status deal with Syrian President Bashar Assad, Israel should adopt an evolutionary, "step-by-step" approach similar to what is now being employed with the Palestinians. Shalom conditioned the resumption of peace negotiations with Syria upon the cessation of Syrian support for terrorism. Channel 2-TV and Yediot cited sources in Sharon's bureau as saying that a second Aqaba convention is in opposition to the PM's position. Channel 2-TV also said that Sharon was "less than enthusiastic" about confidence-building measures on the Syrian track. Israel Radio quoted Sharon adviser Dov Weisglass as saying this morning at the Herzliya Conference that British PM Tony Blair intends to convene Palestinian and European officials in London in around two months to discuss ways to assist the Palestinians. Weisglass said that Arafat's departure has created an entirely different condition, and that Arafat's heirs are "normal people anchored to reality, who understand they will have to agree to the rules of the game." Weisglass praised the role of the U.S., which he said makes sure that the Palestinians "do their homework."

Israel Radio reported that President Bush has written Secretary of State Colin Powell regarding the

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postponement for another six months of any relocation of the U.S. Embassy to Israel from Tel Aviv to Jerusalem.

Leading media reported that last night five Israelis were wounded, two of them moderately, in two shooting incidents on the Gaza Strip's Kissufim-Gush Katif road. IDF soldiers killed two of the attackers. Israel Radio reported that this morning four mortar shells were launched at Israeli targets in the northern Gaza Strip. There were no casualties. Jerusalem Post reported that in a concerted effort to boost security against the threat of terrorism from the sea, Israel Navy has dramatically increased the number of surprise at-sea boarding on merchant ships heading to Israeli ports.

Leading media (banner in Jerusalem Post) reported that PM Sharon warned the Labor Party that he will initiate early elections if his final offer to join the coalition is not accepted. Leading media reported that Labor is interested in controlling various ministerial portfolios, as well as the Israel Lands Administration (ILA) and the Israel Broadcasting Authority (IBA). Israel Radio reported that chief Labor negotiator in the coalition talks Dalia Itzik has complained about Likud's "greed." The radio reported that this morning Labor Party Chairman Shimon Peres will meet with Sharon at Peres's request to try to solve the differences between the sides.

Jerusalem Post reported that Wednesday PLO Chairman Mahmoud Abbas (Abu Mazen) rejected a new Israeli initiative to resettle Palestinian refugees in the West Bank, Gaza Strip, and neighboring Arab countries. Ha'aretz reported that Wednesday Hamas and Islamic Jihad strongly criticized remarks made by Abbas that the use of weapons in the second Intifada was a mistake and that it should end.

Ha'aretz reported that Egypt has postponed until April 2005 its increased deployment of soldiers along the Egyptian side of the Philadelphi route on the Sinai-Gaza border in the Rafah area. Ha'aretz also reported that the release of Palestinian prisoners that is to be carried out as part of the goodwill gestures aimed at the PA and Egypt is likely to take place next week. Israel Radio quoted Egyptian President Hosni Mubarak as saying that there is an agreement between Egypt and the U.S. regarding advancement of the peace process soon.

Ha'aretz reported that Wednesday, the Knesset's Finance Committee allocated 90 million shekels (about USD 2 million) for the paving of a West Bank road linking Anatot and Azariya north of Jerusalem. The newspaper notes that this sum represents around 10 percent of the overall annual road construction budget, which will amount to 1 billion shekels in 2005.

Israel Radio reported that Jerusalem and Diaspora Affairs Minister Natan Sharansky has asked UN Secretary-General Kofi Annan and National Security Advisor and secretary of state-designate Condoleezza Rice to act to

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put an end to the broadcasting of two anti-Semitic TV series sponsored by Iran and Syria, one of which is screened on Hizbullah's Al Manar-TV.

Israel Radio reported that World Bank President James Wolfensohn will visit the region next week.

Yediot reported that in the next few days a USD 2-billion suit against the Arab Bank will be filed in a New York federal court in the name of hundreds of Israeli victims of terrorist actions carried out by Hamas and Islamic Jihad.

Jerusalem Post and Yediot reported that in what Israeli officials are calling a first, Israel is sending some USD 20,000 in aid to Sudan to help alleviate the humanitarian crisis there.

Ha'aretz quoted Shahram Chubin, an expert on Iranian foreign policy who attended the Herzliya Conference, as saying that the U.S. missed an opportunity to conduct negotiations with Iran about terrorism and the nuclear issue after the occupation of Baghdad.

Israel Radio reported that New York City businessman Leib Kohn admitted Wednesday to participating in an arms smuggling ring that shipped missile and fighter

jet components from the U.S. to Israel and possibly on to Iran. Kohn bought the parts from companies in Connecticut and California.

Mideast:

Summary:

Independent, left-leaning Ha'aretz editorialized: "Israel, at least based on Abu Mazen's remarks, must also adopt a new attitude, based on the existence of a serious Palestinian partner with whom to conduct negotiations."

Chief Economic Editor and senior columnist Sever Plotker editorialized in mass-circulation, pluralist Yediot Aharonot: "The strengthening of economic connections is not a substitute for peace, but it helps to anchor it. When new winds blow in the Middle East, we must not miss out on them."

Middle East affairs commentator Guy Bechor, a lecturer at the Interdisciplinary Center, wrote in Yediot Aharonot: "Four years after the Oslo process shattered in a tremendous crash, a Likud government headed by Ariel Sharon has gone back to its fundamental premises, as if there has been no Intifada."

Former editor-in-chief Moshe Ishon wrote in nationalist, Orthodox Hatzofe: "One doesn't need to make many efforts to reach the conclusion that [Abu Mazen] is following in Yasser Arafat's footsteps. In fact, this is what he stated on the day he received Arafat's scepter."

Block Quotes:

I. "Beyond Words"

Independent, left-leaning Ha'aretz editorialized (December 16): "The use of weapons in the current Intifada is damaging and must cease." That was the important message that PLO Chairman Mahmoud Abbas delivered in his first statement on the subject following the death of Yasser Arafat. It was not the first time that Abbas made such a statement, but its importance this time is derived from his position, and the anticipation that it will be received with understanding and acceptance, by a majority of Palestinians -- the same majority that in recent public opinion polls has expressed the view that the negotiations with Israel should be resumed.... Abu Mazen's remarks were not meant for Jerusalem and Washington's ears, but were spoken to Ash-Sharq Al-Awsat, in Arabic -- as Israel has often demanded, to the Arab and not only the Palestinian public. It was meant for every Arab and Palestinian movement and school of thought, inside and outside the territories, including Iran and Hezbollah, so that they know the intentions of the person who will be running the PA.... Against that background, Israel, too, no less than the Palestinian leadership, now faces a test in the eyes of its public. For Israel, at least based on Abu Mazen's remarks, must also adopt a new attitude, based on the existence of a serious Palestinian partner with whom to conduct negotiations. Israel need not worry that its embrace might mark Abu Mazen in Palestinian eyes as a collaborator. The Palestinian public certainly would not regard its leader as a traitor if he won freedom for Palestinian prisoners directly from Israel, and not at the request of the Hezbollah or Egypt, or if Israel unfroze Palestinian funds and reduced the military operations to the absolute necessary minimum. Indeed, that is what the Palestinian public now expects."

II. "Economy and Peace"

Chief Economic Editor and senior columnist Sever Plotker editorialized in mass-circulation, pluralist Yediot Aharonot (December 16): "One cannot exaggerate the political and economic importance of the agreement to establish a joint Israeli-Egyptian industrial zone whose products are intended for the American market and which will enjoy far-reaching benefits. The agreement, which was signed in an official ceremony the likes of which has not been held in Cairo for years, lays a new infrastructure for business cooperation between Israeli and Egyptian industrialists on the basis of profits for both. It opens the enormous U.S. markets before them on condition that they join hands and funds in investments and manufacture. A joint industrial zone of a similar nature operates in Jordan with enormous

success. It has survived the entire Intifada. The Egyptian-Israeli peace appeared dead in recent years. Now it has revived: another result of disengagement from Gaza and the changes in the Palestinian leadership. The strengthening of economic connections is not a substitute for peace, but it helps to anchor it. When new winds blow in the Middle East, we must not miss out on them."

III. "Arafat is Dead, Oslo Returns"

Middle East affairs commentator Guy Bechor, a lecturer at the Interdisciplinary Center, wrote in Yediot Aharonot (December 16): "Four years after the Oslo process shattered in a tremendous crash, a Likud government headed by Ariel Sharon has gone back to its fundamental premises, as if there has been no Intifada, as if we haven't suffered more than 1,000 dead, as if Israeli society had not matured since. In other words, nothing was learned.... Since [Abbas] remembers his last attempt to come out against the Intifada, which culminated in his disgraceful ouster from office, he is probably the last person who is going to combat terrorism.... In the Oslo days, people said we need to engage in negotiations with the Palestinian side as if there is no terror.... It was Ariel Sharon who said that no negotiations would be held until all terrorism stopped. But now the negotiations are being resumed, this time using backchannels, there is a sense of a new era dawning, but terror is still running rampant, mainly in the Gaza Strip.... And finally, the idea of a new Middle East is back in the arena: economic development will, by necessity, produce positive political changes.... More than 90 percent of the fruit of [the U.S.-sponsored free trade] agreement will be picked by Egypt, which still has not explained why three-quarters of the foreign aid it receives from the U.S. is used for the acquisition of weaponry and military equipment. That amassment of military might is aimed only against Israel.... Sharon has proven himself to be Peres's twin when it comes to all the eschatological beliefs of the Oslo process about Palestinian democracy, a Palestinian war on terror and regional economic development. Perhaps that is the logic of having Peres join the government and play a key role."

IV. "Abu Mazen's Double Game"

Former editor-in-chief Moshe Ishon wrote in nationalist, Orthodox Hatzofe (December 16): "One day. [Abu Mazen] swore he would faithfully continue Yasser Arafat's anti-Israeli line. On another day, he promised to follow a balanced policy that would supposedly soon lead to peace with Israel. His fickle policy found its expression this week, following the murderous attack in Rafah. In his initial response, he justified the terror attack against IDF soldiers. Abu Mazen said this was occupied territory and that Israel did not have any right to be there. He later avoided responding.... Judging by the Palestinian Authority's current actions, notably the conduct of Abu Mazen, who is making inconsistent remarks, it is difficult to determine not only where he is heading, but also where he will lead the PA after seizing the reins of power.... If Abu Mazen outwardly apparently endeavors to create the impression that he is confident about publicly expressing his thoughts, one doesn't need to make many efforts to reach the conclusion that he is following in Yasser Arafat's footsteps. In fact, this is what he stated on the day he received Arafat's scepter."

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